MISCELLANEOUS NOMINATIONS AND CONSTRUCTION OF NAVAL VESSELS

UNIVERSITY OF MICHIGAN

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MAIN READING ROOM

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

NOMINATIONS OF

DR. HERBERT FRANK YORK, OF CALIFORNIA, TO BE DIRECTOR OF DEFENSE RESEARCH ENGINEERING

COURTNEY JOHNSON, OF INDIANA, TO BE ASSISTANT SECRETARY OF THE ARMY

PHILIP B. TAYLOR, OF NEW JERSEY, TO BE ASSISTANT SECRETARY OF THE AIR FORCE

CECIL P. MILNE, OF INDIANA, TO BE AN ASSISTANT SECRETARY OF THE NAVY

AND

H.R. 3293

AUTHORIZING THE CONSTRUCTION OF MODERN NAVAL VESSELS

FEBRUARY 5, 26, AND APRIL 10, 1959

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NOMINATIONS

NOMINATION OF DR. HERBERT FRANK YORK, OF CALIFORNIA, TO BE DIRECTOR OF DEFENSE RESEARCH ENGINEERING

THURSDAY, FEBRUARY 5, 1959

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to call, at 10:30 a.m., in room 212, Senate Office Building.

Present: Senators Russell (presiding), Stennis, Symington, Jackson, Thurmond, Engle, Cannon, Saltonstall, and Smith.

Also present: Messrs. Darden, Braswell, Wingate, and Atkinson, of the committee staff.

Chairman RUSSELL. The committee is now in open session. During this period we are to consider the nomination of Dr. Herbert Frank York, of California, to be Director of Defense Research Engineering.

I think all the members of the committee will find a brief biography of Dr. York before you.

NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
January 17, 1959.

Ordered, That the following nomination be referred to the Committee on Armed Services:

Herbert Frank York, of California, to be Director of Defense Research Engineering.

OFFICIAL BIOGRAPHY, HERBERT FRANK YORK

Dr. Herbert Frank York, born in Rochester, N.Y., received his A.B. in physics from the University of Rochester in 1942. After graduating as Phi Beta Kappa scholar with honors, he remained at the university as a teaching assistant and in 1943 obtained his M.S. degree. Later that year, he joined the staff of the University of California Radiation Laboratory at Berkeley.

Between 1944 and 1945, Dr. York worked on the electromagnetic isotope separation program at the Y–12 plant, Oak Ridge, Tenn. Returning to Berkeley, he entered the University of California Graduate School, while continuing part time at the Laboratory.

In 1949, Dr. York received his Ph. D. in physics from the University of California. Later, in 1951, he became an assistant professor of physics for the university. In 1950, Dr. York, a coleader with Dr. Hugh Bradner, undertook the design and execution of a major diagnostics experiment for Operation Greenhouse at Eniwetok Proving Ground.

In July 1952, when UCAL expanded its research program to include weapons development and other classified programs in applied science, Dr. York was selected to lead the Laboratory program at Livermore, Calif. Under his supervision, the Laboratory made major contributions to the varied research programs of the Atomic Energy Commission. Dr. York became an associate director of

the University of California Radiation Laboratory and Director of the Livermore Laboratory in 1954.

Dr. York, on March 15, 1958, became Director of Research, Advanced Research Projects Division of the Institute for Defense Analyses, and Chief Scientist of the Advanced Research Projects Agency of the Office of the Secretary of Defense in the Pentagon, Washington, D.C. Dr. York has served on many governmental advisory committees; among these are the Air Force Scientific Advisory Board and the Army Scientific Advisory Board. He is presently a member of the President's Science Advisory Committee.

Dr. York is married to the former Sybil Dunford, of Berkeley, Calif. They have three children: Rachel, Cynthia, and David. They reside in Alexandria, Va.

Chairman RUSSELL. Dr. York, we are glad to have you before the committee.

Will you have a seat right there at the table? We customarily ask the nominees who come before this committee to tell us a little something about their background, their training, and experience. If you will give us a brief statement of that nature in your own words, we may have some questions from the committee members.

STATEMENT OF HERBERT FRANK YORK, OF CALIFORNIA, NOMINATED TO BE DIRECTOR OF DEFENSE RESEARCH ENGINEERING

Dr. YORK. Sir, you would like me to expand a little on the biography?

Chairman RUSSELL. Yes, sir; I think the committee would like to hear you talk, as well as read about you.

Just tell us a little something about your life and your experience.

Dr. YORK. My entire professional life except a few years has been spent on defense problems.

In 1943 I got my master's degree at the radiation lab at the University of California, which was at that time involved in developing methods for separating uranium isotopes for the atomic bomb. During that period I was at Oak Ridge, but in the employ of the University of California.

After the war I went back to California and became a graduate student to get a doctor's degree, and during the ensuing couple of years was the period in which I was not doing work associated with defense.

In 1950 I participated in work at Eniwetok in connection with the first thermonuclear experiments, and 1951, and then returning to California from there I joined the faculty of the university.

The following year it was decided that there should be a second reference laboratory along the lines of Los Alamos Laboratory, and I was asked by the Director of the Radiation Laboratory in Berkeley to become head of the Laboratory, a branch of the radiation laboratory to be established in Livermore, to be a second weapons laboratory.

That was in the summer of 1952. I became officially the Director of the Laboratory from 1953 to 1954. It just sort of happened, but I was in charge of the Laboratory from the beginning. At the very end of 1957, I was invited to become a member of the President's Science Advisory Committee and came back to Washington for that purpose, working here essentially full time, going back to Livermore on occasion. Then in February I was asked to become the Chief Scientist for the Advanced Research Projects Agency, and became that on the 15th of March 1958.

Then, just this last December, just before Christmas, I was asked to become Director of Defense Research and Engineering and I was sworn into that job on the 30th of December.

Chairman RUSSELL. I want to say that I was fortunate enough to get Dr. York to go down to Savannah, Ga., to address an audience some time ago, and he made a very favorable impression on the people there.

I do not know when I have seen a scientist go out and address an audience of laymen with such noteworthy response.

Senator JACKSON. Mr. Chairman, I do not want to ask a question; I just want to make a statement, if I may.

Chairman RUSSELL. All right, sir, we will recognize you for your statement.

Senator JACKSON. I have known Dr. York for about 8 years, 8½ years, Mr. Chairman, and in my judgment he is one of the outstanding scientists in this country. I have always had the impression as a layman that a man who really knows his subject can speak in simple syllables, and during my service on the Joint Committee on Atomic Energy, which started 10 years ago, Dr. York has appeared before our committee over a long period of time, and he has displayed that unique genius of explaining to lay people on the committee problems of a complex nature.

I first met Dr. York, I believe, if my recollection serves me correctly, in 1951, at Green House at Eniwetok, and since that time I have had an opportunity, Mr. Chairman, to observe him, and I think he is indeed one of our top scientists.

I think he is an able administrator. He is intellectually honest. He will not hesitate to state his opinion on a matter if the committee requests it.

I think the Government is fortunate in having a man of his caliber, and I base that on an association that has extended since 1951, during which he has played a very important role in the development of vital weapons systems.

Chairman RUSSELL. We are very glad indeed to have your testimony, Senator Jackson.

Senator Jackson is recognized as one of the outstanding congressional experts in these fields. He has sat on the Joint Committee on Atomic Energy and serves on this committee and manifests a very wide knowledge in all those areas and we are glad to have your evaluation of Dr. York.

Senator SALTONSTALL. I have no questions.

From the record, and from what Senator Jackson has said, I think we are very fortunate to have him in this position.

Chairman RUSSELL. Senator Stennis.

Senator STENNIS. Mr. Chairman, I have no questions. Senator Jackson mentioned Dr. York to me back last year, I suppose when he came in with ARPA.

I remember being impressed then with Senator Jackson's estimate and I am very glad to have it reiterated here today.

Chairman RUSSELL. Senator Symington.

Senator SYMINGTON. Mr. Chairman, Senator Jackson spoke to me about Dr. York and I also was much impressed with what he had to say.

As my colleagues on this committee know, I have become increasingly apprehensive about some of these optimistic statements that

are being made about our defense posture. Many of them are so conflicting that it is difficult, Doctor, to know which are right and which are wrong. A statement which you made back in June of 1958 disturbs me a bit. At that time we almost got together to discuss it, but we did not quite manage to do so. As I remember it, you did talk to Dr. Welsh of my staff; is that right?

Dr. YORK. That is right.

Senator SYMINGTON. And at that time you were reported as having said that the United States lag in missiles has been cut from 5 years to 1. Would you comment on that report?

Dr. YORK. Yes, sir. That is probably an accurate report of what I said. That is an extremely difficult question to give a short answer to, that is, the question of how far behind the Russians we are in missiles.

Senator SYMINGTON. If I may just interject one statement there, to show you what our problem is, not too long ago on "Meet the Press," Dr. von Braun, who also has some position in this field, stated that we were 5 years behind the Russians now. That was in the last few weeks, and as a layman you can get a bit mixed up in this situation, so I thought I would like to hear your position in the matter.

Dr. YORK. Yes, sir.

I read the statement that Dr. von Braun made. It is not a question that you can give a simple answer to, that is, the question of how many months or years we are behind the Russians, because it is a very complex problem. A missile is a complex device consisting of a propulsion unit, a guidance and control unit, warhead, reentry system, and so forth. It is quite evident that we are behind the Russians in propulsion. The other aspects, though, the evidence is by no means quite so clear how we stand with respect to guidance and control, reentry systems, and nuclear weapons, although of course we also have some ideas about where we stand on the weapons.

What I had in mind when I said about 1 year is that they were showing evidence through the sputniks that they had a large thrust available at the time of the first sputnik, the second sputnik and so forth, and that we would—and in fact as far as having made tests of rocket engines and flights of rockets are concerned, I had in mind that we would in approximately 1 year be making flights of rockets with approximately the same thrust.

Now when I say "approximately the same," I of course do not mean exactly the same. Our Atlas as compared with the booster for sputnik: the difference is probably a matter of one and a half times or maybe even two times, but the Atlas is in the same ballpark as the sputnik boosters.

With respect to propulsion, there is a time period of something like 1 year. Maybe it is 18 months, and I do not mean to exclude something that long. In matters of guidance and control, reentry, and warhead, I think that the gap is smaller than that. However, there is another matter which is much harder to put in terms of years, and that is that the Russians simply have more experience in testing big rockets than we do, and therefore, because of this greater experience, they can make changes more rapidly. The rockets that they build and test are more likely to be successful. It is hard to put a time measure on this matter of experience, and in that I imagine that it will be more than a year.

I mean we are more than a year behind them probably on this matter of experience.

Putting all of these things together, the way I give a simple answer to a complicated question is to say about 1 year. It is not an awfully useful answer. You have to have more information.

Senator SYMINGTON. If you were approved for this position, would you try to be careful as regards public statements so that the American people are not further mixed up as to what our status is? Will there be an effort in your opinion to have a coordinated position in such statements? What is your thinking about that?

Dr. YORK. In an effort to have a coordinated opinion, yes. But if Dr. von Braun is called in and asked for his, I won't make an effort to try and influence his answer, his qualified and independent view of the question.

Senator SYMINGTON. I understand that, but when you talked to Dr. Welsh, the statement you were quoted as making was that the United States lag had been cut from 5 years to 1.

Dr. YORK. Yes.

Senator SYMINGTON. As I understand it, you said that the Soviets started 5 years sooner than we did, that you are talking primarily about propulsion, and that you felt we were about a year behind in ballistic missiles.

You then said that we did not really start until 1952 or 1953. Of course, the rocketdyne hardware was developed many years before 1952 and 1953 and it is still the propulsion of most of the long-range missiles.

Dr. YORK. Yes. There was the Redstone which dates earlier. There was work at Convair on the Atlas which dated earlier but we did not develop a really aggressive program until actually I think about 1954.

Senator SYMINGTON. You know the problem of the weight of the warhead relative to the effectiveness of the payload at that time, do you not?

Dr. YORK. Oh, yes.

Senator SYMINGTON. Do you want to explain that to the committee?

Dr. YORK. You mean prior to 1954?

Senator SYMINGTON. That is right, until the development of a unit that had a weight that could be supported.

Dr. YORK. Yes. The situation in the late 1940's was that if you take and consider all of the questions involved namely, What warhead yields are available and in what weights, and take the guidance systems which one could either design or imagine designing at that time and put these together, you found that the probable error in where the missile would land was something which was very, very much larger than the destructive radius of the missile, and therefore, you could not at that time plan on building a system which could be used against anything like fixed targets or hard targets of any sort.

It would at best have been a kind of almost a barrage weapon. It would have taken a great many of them to do the necessary job.

Furthermore, not only was the yield low, but depending on exactly what period we are talking about in here, let's say 1948, the weight, the lightest weight available was really too large, was larger than what we are talking about for the Atlas today.

And so if one studied the problem, and in fact many people did, one came to the conclusion that it was not worth doing.

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On the other hand, what was left out of the technical analyses made at that time was what you might call just a faith in progress, a faith that we would come to a warhead and a guidance system that was suitable, and that is in fact what happened.

We did achieve warheads and guidance systems that are suitable, and that is why we are building the missile now. What exactly was in the back of the Russians' minds, I do not quite know, but they went ahead. They didn't have a guidance system or a suitable weapon, either. I think that perhaps we outsmarted ourselves by being too strict about this analysis and not noting that in a field as new as nuclear weapons, there was bound to be radical improvement.

Senator SYMINGTON. And this was a field in which you were personally identified, was it not?

Dr. YORK. Yes, but not really until 1951.

Senator SYMINGTON. In 1947 unfortunately the Army Air Corps M–776 ballistic missile was canceled by the War Department and the decision was made to give the missile project to the Navy in the form of a project called Viking. At that time the decision was based on the reasons that you have just brought up now. In fact, the Army Air Corps had only just barely saved the Navajo project at that time, a supersonic air breather. As you have pointed out, we first got the fusion bomb and then reduced the weight of the warhead to the point where it could be transported in a ballistic missile, and then we went ahead with a different program.

I would hope, Doctor, that if and when you make public statements you will keep in mind the great interest of the public in this field and the various conflicting statements that are being made by many people. This is particularly important during the weeks that fiscal appropriations for the defense structure are being considered.

Mr. Chairman, I have no further questions. I am much impressed with Dr. York's record and with Secretary Jackson's opinion of him.

Chairman RUSSELL. Senator Smith?

Senator SMITH. I have no questions.

Chairman RUSSELL. Senator Jackson, do you have anything further?

Senator JACKSON. No. I just want to add one thing. One of the greatest contributions, I think, made during this period is a matter that Senator Symington alluded to in one of his questions to Dr. York, and that is the reduction in the size and the increase in the yield of the warhead.

It is in this area, I think, in all fairness, that Dr. York has made a great contribution. This has had an enormous impact on the development of our missile system in that naturally with a lighter warhead, we have been able to get along with a lot of other things that take a long time to work out in the development of a good ICBM and a good IRBM.

That is all.

Chairman RUSSELL. Senator Thurmond.

Senator THURMOND. Mr. Chairman, I have no questions. I am deeply impressed with the qualifications of Dr. York.

Chairman RUSSELL. Senator Engle?

Senator ENGLE. I think not. Thank you, Mr. Chairman.

Chairman RUSSELL. Senator Cannon?

Senator CANNON. Dr. York, in your answer to Senator Symington, were you merely explaining your answer as of last summer or were you restating your views that we are approximately only a year behind at this time?

Dr. YORK. I guess both.

Senator CANNON. In other words it is your view now that we are approximately a year behind the Russians in the overall picture in the ballistic missile field.

Dr. YORK. Yes, something like a year perhaps. I cannot put it in terms of months because there are too many factors involved, but it is that sort of thing.

Senator CANNON. I take it you do not entirely subscribe to Dr. von Braun's view that we are approximately 5 years behind?

Dr. YORK. No, I do not know precisely what he had in mind. There are ways you can cut this to make it look like that, but I do not think that it is quite the right way to do it. The time from now until when we will have—you see the Russians have not only achieved a big thrust before we did, but it is bigger than what we had, and so we may never have an engine of the size the Russians now have, and the next size upward in engines that we will build is quite a bit bigger than the ones used for the sputniks. It will be a matter of several years, not 5, I think, before we actually achieve this next big step upward, but when we do, it will be bigger than what they have, so we are not following the same path they are, and so you cannot say when we will arrive at what they have arrived at because we are not doing the same things.

Senator CANNON. Are you familiar with Dr. von Braun's testimony to the effect that at the present rate of progress we would not overtake the Russians within the next 5 years.

Dr. YORK. I am not real familiar with that, at least.

Senator CANNON. I wonder if you subscribe to that view. If he did make that statement, do you subscribe to that view? Do you feel we are overtaking the Russians?

Dr. YORK. I believe we are overtaking them. I just do not know when we will overtake them. It is just not possible to know enough about their program to be able to make a flat statement of that sort.

Senator CANNON. Thank you, Mr. Chairman.

Chairman RUSSELL. The Chair regrets to advise the committee that Senator Glenn Beall, who has recently been assigned to service on this committee, is at the Naval Hospital at Bethesda and for that reason is unable to be here this morning. I was requested by his staff to make that announcement. I am sure we all hope that he will soon be restored to health and be back with us.

Dr. York, I want to commend you. I do not recall at any time a man who has been before this committee in his first appearance who has met with such universal approval and commendation as you have.

We are all hopeful when we see men of your stature who are willing to come down here and help us in what is perhaps the most important single activity of the Government, on which our security and future life depends.

Thank you very much.

The committee will now proceed to go into executive session. The Chair requests that the room be cleared.

(Whereupon, at 11 a.m., the committee proceeded in executive session.)

(The nomination of Dr. Herbert Frank York, of California, to be Director of Defense Research Engineering was subsequently approved by the committee in executive session and confirmed by the Senate on February 6.)

NOMINATIONS

NOMINATION OF COURTNEY JOHNSON, OF INDIANA, TO BE ASSISTANT SECRETARY OF THE ARMY, VICE FRANK H. HIGGINS, RESIGNED

THURSDAY, FEBRUARY 26, 1959

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to call, at 10:35 a.m., in room 212, Senate Office Building.

Present: Senators Russell (chairman), Stennis, Symington, Thurmond, Bartlett, Cannon, Saltonstall, Smith, and Case.

Also present: Harry L. Wingate, Jr., chief clerk; William H. Darden, T. Edward Braswell, Gordon A. Nease, and Herbert S. Atkinson, of the committee staff.

Chairman RUSSELL. The committee will come to order.

Senator Capehart is honoring this committee this morning with his presence. On the agenda of the committee is consideration of the nomination of Mr. Courtney Johnson to succeed Mr. Higgins as Assistant Secretary of the Army. Senator Capehart having other business, and it being the committee's policy to always hear from Senators first in such matters, after Senator Capehart has concluded his remarks, I will call on Mr. Higgins to present Mr. Johnson.

Senator Capehart, we are glad to have you with us this morning and will welcome any statement you wish to make to the committee.

STATEMENT OF HON. HOMER E. CAPEHART, U.S. SENATOR FROM THE STATE OF INDIANA

Senator CAPEHART. Thank you very much, Mr. Chairman, and gentlemen of the committee.

I was about to say that it would be impossible to get a better man for the position than you are considering, Mr. Johnson, and then I looked around to see Mr. Higgins here, who has been a good friend of mine over the years. So, I am not sure I can make that statement here, but I do want to say this: that I have known Mr. Johnson and his family for many, many years. I do not know how it would be possible to get a man with more experience than he has had for the duties and responsibilities of this position, which will fall upon him.

He has been in the manufacturing business for many years and held a high position with the Studebaker Corp. for years. I don't know how you can get a more sincere, conscientious gentleman than Mr. Johnson. He has been very civic minded in the State of Indiana and has done many good things there.

I, for one, feel that we are fortunate, and the Government is fortunate in getting a man with his integrity and his experience in government, and I recommend him with all the strength and sincerity at my command.

Chairman RUSSELL. We are glad to get your appraisal of Mr. Johnson.

All the members of the committee, I am sure, know Mr. Frank H. Higgins, who has served for some time, and ably, as Assistant Secretary of the Army.

We are glad to have you here, Mr. Higgins, even though we regret to see you leave, and I understand you know Mr. Johnson, so we will be glad to have you present Mr. Johnson to the committee.

STATEMENT OF FRANK H. HIGGINS, ASSISTANT SECRETARY OF THE ARMY, LOGISTICS

Mr. HIGGINS. Thank you, Mr. Chairman, and gentlemen of the committee.

I am very grateful to this group for inviting me here today, and my purpose is twofold: First, of course, is to express, on my own behalf, now that my resignation has been accepted by the President as of the 31st of March, my humble appreciation and gratitude to this fine group, both collectively and individually, for the fine way you have cooperated with me and the opportunity you have given me to serve my Government in the very high post that I am about to leave, and I am profoundly grateful for this.

Secondly, to introduce to you as a recommended and worthy successor, Mr. Courtney Johnson.

Very briefly, Courtney Johnson graduated from Princeton with an engineering degree, and with the exception of 2 years he served with the Pennsylvania Railroad immediately leaving college, he has been in the automobile industry all his life, except those years he has given to his Government—which has been generous.

He served in World War I. He was a consultant to the War Production Board, and in the Korean emergency he served in the National Production Authority.

During that period he was one of the originators of the Controlled Materiels Plan that we used in World War II and during the Korean emergency. He controlled the important elements going to the automobile industry, and many others down here certainly in the Government.

He has been my Deputy for 2½ years and during this period we have worked together on policy, covering Army procurement. He has been a Deputy with me on the Materiels Secretaries Group, meeting once a week, formulating procurement in the whole Defense Department.

He is very familiar with the armed services procurement regulations and shared with me in the formulation of policy in that group.

Of course, no higher endorsement could I give to you than the fact that I selected him 2 years ago as my Deputy, and in that period I have given him absolute freedom of action, with the exception of those matters covered by statute which I must perform myself.

I heartily recommend to you Courtney Johnson as Assistant Secretary of the Army for Logistics.

Chairman RUSSELL. We are glad to hear from you, Mr. Higgins.

Senator SALTONSTALL. Mr. Chairman, if it would not be out of order, might I just say that I am very sorry to see Mr. Higgins leaving the service. I am glad to hear what he says about his successor. I think I have always found him as one who was cooperative and understanding, and helpful to the best of his ability in the position that he held. I am very sorry to see him leave the service.

Mr. HIGGINS. Thank you, Senator Saltonstall.

Chairman RUSSELL. Thank you, Senator. I am sure we all share in that expression from the distinguished ranking Republican member of this committee.

Mr. Johnson, we are glad to welcome you here. It is our custom to ask nominees to make a brief statement in their own words of their education and experience and background. You may make such a statement and the members of the committee will then have an opportunity to ask you any questions that may occur to them.

NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
February 19, 1959.

Ordered, That the following nomination be referred to the Committee on Armed Services.

Courtney Johnson, of Indiana, to be Assistant Secretary of the Army vice Frank H. Higgins, resigned.

STATEMENT OF COURTNEY JOHNSON, NOMINATED TO BE ASSISTANT SECRETARY OF THE ARMY (LOGISTICS)

Mr. JOHNSON. Mr. Chairman, I, as Mr. Higgins has told you, graduated from Princeton with an engineering degree and started to follow the engineering profession by going to the Pennsylvania Railroad.

I was enticed away from there by the automobile industry and I have been in the automobile industry in a number of capacities ever since, except for the period that I was either serving or working for the Government.

During that period, I have been, at various times, a purchasing agent, a production manager, a service manager, assistant general manager, general manager of a truck division, assistant to the president, chairman, and I think to complete it, also sales manager.

I believe that this experience in industry is a wide one and I have found in the last 2½ years that every bit of knowledge and experience that one can have can be employed to the problems that come up in the logistics business of the Army. I do not believe there is much more that I can tell you about it, although I will be glad to answer your questions.

Chairman RUSSELL. Mr. Johnson, you, in the capacity for which you are nominated, will deal directly with procurement and production and in the whole area of the relations of the Department of the Army with the industry of the Nation.

I have looked at the list of stock holdings you have submitted. Some of these I am quite sure have extensive contracts with the Army, do they not?

Mr. JOHNSON. I think I can give you information on that, Mr. Chairman. We have looked this up and have had to rely on the records that are in the Pentagon, which only include contracts of $10,000 and above.

Chairman RUSSELL. I do not think that we would be interested in any below that amount, and we are interested with the larger amounts. For instance Allied Chemical & Dye, in the fiscal year 1948, the Army did $369,000 of business with that company in dyes, fertilizers, chlorine, and sulfuric acid. These contracts were either advertised or competitive.

Crown Zellerbach: The Army did $601,000 business, all advertised, in the procurement of kraft wrapping and brown bags.

General Mills: The Army did $3,066,000 of business, and that consisted of subsistence and commissary retail items. These were either purchased on competitive negotiation, as is the case with food, and authorized by statute, or on purchase notice agreement, which is a method of purchasing with which you are familiar, I am sure.

The Inland Steel Co.: The Army did $674,000 business, all advertised. That was on pipe and disks.

Senator THURMOND. How much was that?

Mr. JOHNSON. That was $674,000.

R. J. Reynolds Co.: In cigarettes, the Army did $1,062,000, all purchased for commissary retail items, in other words.

Sears Roebuck: The Army did $25,760 business, fencing and automatic washers.

Sacony Mobile Oil: The Army did $10,712 worth of business. That was in emergency procurement of fuel.

Swift & Son: The Army did $8,813,000 business. That was all subsistence, commissary retail items purchased on competitive negotiation.

The Army did no business with the other stocks on the list.

Chairman RUSSELL. You use the expressions "competitive negotiation" and "competitive bidding."

What is the difference? Is the bidding open to all the world, and the competitive negotiation to a group of invitees, is that it?

Mr. JOHNSON. In the food business, it is open to the world. The reason I used the term "negotiated", is because this is spot buying where you have 24-hour option, and the negotiating takes place generally over the telephone. But it is very competitive and everyone has a chance at it.

Chairman RUSSELL. You were with the Studebaker Corp. for many years. Do you have any contingent retirement rights with the Studebaker Corp.?

Mr. JOHNSON. I have a retirement from Studebaker that is funded by the Aetna Insurance Co. That is my main retirement.

I have a retirement from Studebaker that comes to $30 a month, that comes directly from the company which is the retirement that every employee has. I mean, it is the same for everybody whether they are officers or hourly workers or what not, which is a company plan.

Chairman RUSSELL. Your other retirement is not contingent on the operation of Studebaker?

Mr. JOHNSON. No, sir; it is funded by the insurance company, completely independent.

Chairman RUSSELL. No strings at all attached, or limitations on the retirement—a direct contract?

Mr. JOHNSON. No strings whatever. I have no connection whatever with any organization except for the $30 I just mentioned.

Chairman RUSSELL. We don't usually get $30 mentioned in connection with one of the automobile companies, Mr. Johnson.

Mr. JOHNSON. I thought I had better mention it, because it is there.

Chairman RUSSELL. Senator Saltonstall?

Senator SALTONSTALL. Mr. Chairman, I will just ask one question:

I think your ownership in these companies, which are all substantial companies, is a very small percentage of the total ownership, is it not?

Mr. JOHNSON. I would say minute, Senator Saltonstall.

Senator SALTONSTALL. I have no further questions.

Chairman RUSSELL. Senator Stennis?

Senator STENNIS. Mr. Chairman, just looking over the list of these shares and listening to the testimony, too, about the business, I don't see how it would be possible to get a man with the capacity to take care of this load of work who would be qualified that did not have some stocks or some accumulation. I certainly do not see anything in these facts to warrant any further inquiry there, as far as I can see.

I have no other questions except I want to commend Mr. Higgins for his work here. He has been with us 5 years, I believe.

Chairman RUSSELL. Yes.

I want to thank him for staying that long. He has stayed there much longer than most of them. This is a "passing scene," and usually these assistants that come in, by the time they are familiar with their work, are ready to leave.

I appreciate the fact that after you learned something about your work, Mr. Higgins, you gave the Government the benefit of it.

Mr. HIGGINS. Thank you, sir.

Chairman RUSSELL. Senator Smith?

Senator SMITH. Mr. Chairman, I would like to join with my distinguished colleague from Mississippi with regard to Mr. Higgins, and express my appreciation for the effort and cooperation he has given us.

Mr. HIGGINS. Thank you, Senator Smith.

Chairman RUSSELL. Senator Symington?

Senator SYMINGTON. Mr. Chairman, I have known Frank Higgins for a great many years, long before either of us got into all this business. I would like to join with Senator Smith and Senator Stennis. I think he has done one of the fine jobs in the Government. I am privileged to have known him as a friend. I watched him operate, and I think the greatest recommendation that we can have for Mr. Johnson, in addition to his record, is the fact that Secretary Higgins recommends him to the committee.

On that basis, I certainly intend to vote for him for the job.

Mr. HIGGINS. Thank you, sir.

Mr. JOHNSON. Thank you, Senator.

Chairman RUSSELL. Senator Thurmond.

Senator THURMOND. Mr. Chairman, I have not had the pleasure of knowing Mr. Higgins, except through reputation. But, he certainly has an outstanding reputation and I am sure he has rendered a very fine service and I hate to see him leave. However, since he is leaving, I am glad we are getting such a good man as Mr. Johnson.

Mr. HIGGINS. Thank you, sir.

Chairman RUSSELL. Senator Cannon.

Senator CANNON. No questions, sir.

Mr. Chairman, just one observation: I am curious as to why we do not have a contract with Gillette Razor Co., with all the razors they sell to the PX's.

Chairman RUSSELL. Mr. Johnson.

Mr. JOHNSON. Senator Cannon, as I believe I mentioned, these are contracts of over $10,000 and we do not have, at the Pentagon, record of contracts under that amount.

I have no doubt that there are purchases for the commissaries that do not as individual purchases amount to more than $10,000.

Senator CANNON. I would have thought maybe they had sales far up into, perhaps a half million or so.

Mr. JOHNSON. I don't know. They just do not appear on our contract records.

Chairman RUSSELL. Senator Bartlett.

Senator BARTLETT. I have no questions to put to Mr. Johnson, Mr. Chairman, but would like to record the deep envy of him in the position of 30 sure dollars every month.

Chairman RUSSELL. Senator Case?

Senator CASE. No questions.

Chairman RUSSELL. If there are no further questions, we thank you, gentlemen, for your appearance here.

The committee will now go into executive session.

(Whereupon, at 10:55 a.m. the committee went into executive session.)

(The nomination of Courtney Johnson, of Indiana, to be Assistant Secretary of the Army, was subsequently approved by the committee in executive session and confirmed by the Senate on March 2.)

NOMINATIONS

NOMINATIONS OF PHILIP B. TAYLOR, OF NEW JERSEY, TO BE ASSISTANT SECRETARY OF THE AIR FORCE, VICE DUDLEY C. SHARP, RESIGNED: AND CECIL P. MILNE, OF WISCONSIN, TO BE AN ASSISTANT SECRETARY OF THE NAVY

FRIDAY, APRIL 10, 1959

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to call, at 10:35 a.m., in room 212, Senate Office Building.

Present: Senators Russell (chairman) presiding, Stennis, Symington, Jackson, Engle, Bartlett, Cannon, Saltonstall, Mrs. Smith, and Beall.

Also present: Harry L. Wingate, Jr., chief clerk; William H. Darden, T. Edward Braswell, and Herbert S. Atkinson of the Committee staff.

Chairman RUSSELL. The committee will come to order.

We have before us the nominations of two Assistant Secretaries of the military departments and they have been before us since early March.

Ordinarily, we would have reached them before now but consideration of them was delayed slightly because of the Easter recess.

The nominations are those of Mr. Cecil P. Milne, of Wisconsin, to be Assistant Secretary of the Navy, and of Mr. Philip B. Taylor, of New Jersey, to be Assistant Secretary of the Air Force, vice Dudley C. Sharp, resigned.

Mr. Milne, I believe is at the end of the table, although I believe Mr. Taylor's nomination came in a day earlier. But while you are there, you may proceed.

Senator SYMINGTON. Mr. Chairman, may I make a short statement?

Chairman RUSSELL. Yes.

Senator SYMINGTON. Unfortunately, and due to a death in my family, I have to go to a funeral this afternoon and I would like to leave my proxy with the Chair, if I may, and would also like to say that I have heard very good recommendations for both of these gentlemen.

If the Chair will excuse me, I will leave but I did want to explain to them why I cannot stay.

Chairman RUSSELL. I am sure I express the condolences of the whole committee when I express my sympathy to you.

Senator SYMINGTON. Thank you, Mr. Chairman.

STATEMENT OF FRED A. BANTZ, ASSISTANT SECRETARY OF THE NAVY

Mr. Bantz. Mr. Chairman, I am Assistant Secretary of the Navy Bantz. I would like to give you the status of this within the Navy.

As you know, under the Reorganization Act of 1958 we are entitled to three Assistant Secretaries. We have two; Secretary Jackson and myself.

Mr. Milne is up for approval today.

As you all know, Secretary Gates has announced his intention of retiring as of June 1, this year, and when he does retire, the Under Secretary will become the Secretary, with the committee's approval, and I will become the Under Secretary subject also to the committee's approval.

Fortunately, Mr. Milne has served over a year as deputy to Secretary McGuire in the Department of Defense in Logistics.

I appreciate very much the ability that Mr. Milne has and he is particularly qualified for the office that we are proposing him for because of his long association in the heavy industry field.

I am very happy to present Mr. Milne.

Chairman RUSSELL. We are very glad to get your estimate of the nominee.

Mr. Milne, you may now proceed. Give the committee a brief, thumbnail sketch of your background and activities.

(The nomination reference and biography of Mr. Milne are as follows:)

NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
March 10 (legislative day, March 9), 1959.

Ordered, That the following nomination be referred to the Committee on Armed Services:

Cecil P. Milne, of Wisconsin, to be an Assistant Secretary of the Navy.

CECIL PATON MILNE

Born in Chicago, Ill., December 12, 1896. Son of James Andrew and Helen (Rosie) Milne.

Student Upper Canada College 1913–15; University of Toronto 1915–16.

Married Mildred Conboy Smith June 17, 1920. Children: Margery Kathryn; Nancy Dorothea; Robert Paton.

Assistant to general manager, Massey-Harris Co., Ltd., Toronto, 1922–28, joint European general manager 1928–31; assistant secretary and secretary, building committee, North American Life Assurance Co., Toronto, 1931–36; manager, W. M. MacDonald & Co., member Toronto Stock Exchange, 1936–38; assistant to general manager, Massey-Harris Co., manufacturers of agricultural machinery, Racine, Wis., 1938–42, executive assistant to general manager, Army tank division, 1942–43, general manager, tank division, 1943–45, general works manager, September 1945 to April 1948, appointed vice president in charge of manufacturing, 1948–51, executive vice president 1951–56, vice president and general manager, 1956–57 (name changed to Massey-Harris-Ferguson, Inc.); director, First National Bank & Trust Co., Racine, 1956–58.

Served as lieutenant, Royal Naval Volunteer Reserve.

Republican. Presbyterian.

Has been serving as Deputy Assistant Secretary of Defense for Supply and Logistics since December 1957.

Home: 3156 21st Street N., Arlington, Va.

STATEMENT OF CECIL P. MILNE, NOMINATED TO BE ASSISTANT SECRETARY OF THE NAVY

Mr. MILNE. Mr. Chairman, I was born in Chicago, Ill., on December 12, 1896. We moved to Canada when I was about 10 years old and I was educated in Canada. I had 1 year at the University of Toronto and then I went into the British Navy in the First World War and had 3 years, 1916 through 1919.

We came back to this country in 1938, and have been residing in Wisconsin ever since.

In my business career, I became associated with the Massey-Harris Co. in Canada in 1919 and was with them in Canada and in Europe until 1931.

Then I spent 6 years with the North American Life Assurance Co.; a year and a half in the brokerage business as manager of W. M. MacDonald & Co., a member of the Toronto Stock Exchange.

I went back to Massey-Harris Co. in 1938 and eventually was placed in charge of all their American business with headquarters in Racine, Wis.

I resigned from the company in 1957 and came down here, as Mr. Bantz has pointed out, as deputy to Mr. McGuire in December of 1957.

We have three children; one daughter living in Lexington, Mass.; one daughter living in Santa Barbara, Calif.; and a son living in New York.

I would be glad to furnish any further details that you wish. The clerk has a list of my stockholdings and I have here, if you care to see it, the two termination agreements I made with the Massey-Harris Co. when I resigned in 1957.

Chairman RUSSELL. Do you deal primarily with materiel and procurement?

Mr. MILNE. Yes; and in the last 5 years I was in charge of the whole operation, sales, finance, as well as manufacturing and engineering.

Chairman RUSSELL. How long have you been in the Department of the Navy?

Mr. MILNE. I moved over on a temporary basis on the 9th of March, Mr. Chairman.

I was in the Department of Defense prior to that as deputy to Mr. McGuire. I was with him from December of 1957 until the early part of March of this year.

Chairman RUSSELL. As assistant to Mr. McGuire, did you participate in the supervision of naval procurement?

Mr. MILNE. No; not directly, because in that department we deal only with policy. We have nothing to do with direct procurement.

Chairman RUSSELL. What is the relationship between Massey-Ferguson and Massey-Harris Co.?

Mr. MILNE. Well, it was originally Massey-Harris Co. Then we bought the Ferguson Co. and they had changed the name, dropping the name Harris and it is now Massey-Ferguson.

The share holdings which are at the top of that list are in the Canadian company.

Chairman RUSSELL. That is what I did not understand. One seems to be a limited company. Of course that is Canadian and the other is located in Racine, Wis. Are they interlocking companies?

Mr. MILNE. It is a wholly owned subsidiary of the Canadian company, Mr. Chairman.

Chairman RUSSELL. So Massey-Harris is a wholly owned subsidiary of Massey-Ferguson?

Mr. MILNE. That is right, only the name of the American subsidiary has since been changed to Massey-Ferguson.

Chairman RUSSELL. Well, is Massey-Ferguson an American corporation, a Wisconsin corporation, and are they doing business now with the Navy in any way?

Mr. MILNE. No, sir, they never have had any contracts with the Navy.

During the war and during Korea, we did have prime contracts with the Army.

Chairman RUSSELL. Well, are you still manufacturing for the Army at the present time?

Mr. MILNE. No, sir, they have no current contracts with the Army.

Chairman RUSSELL. None with the Department of the Air Force?

Mr. MILNE. No, sir.

Chairman RUSSELL. None of any kind. Do you have any views, Mr. Milne, on the concentration of orders in any one or two corporations or of their subsidiaries in this country as to the wisdom of whether or not it is desirable to concentrate practically all of the orders of the more larger operations of the departments that comprise the Department of Defense with a few companies?

Do you think that that is a desirable objective or do you think that an effort should be made to distribute the orders?

Mr. MILNE. I think an effort should be made to distribute the orders, Mr. Chairman.

I do not believe in concentrating too heavily in a few large companies.

Chairman RUSSELL. Senator Saltonstall, any questions?

Senator SALTONSTALL. I don't think I have any questions, Mr. Chairman.

Chairman RUSSELL. Senator Engle?

Senator ENGLE. No, sir.

Chairman RUSSELL. Senator Smith?

Senator SMITH. I have no questions.

Chairman RUSSELL. Senator Cannon?

Senator CANNON. No questions.

Chairman RUSSELL. Senator Beall?

Senator BEALL. No questions.

Chairman RUSSELL. Mr. Milne, some of these stocks that you have are relatively small amounts in companies that are doing business with the Navy.

Would you have any objection to disposing of those stocks?

Mr. MILNE. No, sir.

Chairman RUSSELL. Is there anything further relating to the nomination of Mr. Milne?

Thank you very much, Mr. Milne.

Mr. MILNE. Thank you.

NOMINATION OF PHILIP B. TAYLOR OF NEW JERSEY TO BE ASSISTANT SECRETARY OF THE AIR FORCE, VICE DUDLEY C. SHARP, RESIGNED

Chairman RUSSELL. We have likewise the nomination of Mr. Philip B. Taylor, of New Jersey, to be Assistant Secretary of the Air Force to succeed Assistant Secretary Dudley C. Sharp who has resigned.

Mr. Taylor, your nomination was received first but due to the fact that Mr. Milne was seated we went ahead so as not to delay the proceedings.

I believe Secretary Douglas of the Air Force wishes to make his statement with respect to this nomination before we hear from the nominee.

(The nomination reference and biography of Mr. Taylor are as follows:)

NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
March 9, 1959.

Ordered, That the following nomination be referred to the Committee on Armed Services:

Philip B. Taylor, of New Jersey, to be Assistant Secretary of the Air Force, vice Dudley C. Sharp, resigned.

PHILIP B. TAYLOR

Date of birth: March 7, 1899.

Education: Montclair High School, Yale University, bachelor of philosophy in mechanical engineering, 1920.

Technical recognition

Licensed professional engineer—New York State No. 17558P, American Society of Mechanical Engineers, Society of Automotive Engineers, Institute of the Aeronautical Sciences, Montclair Society of Engineers, Yale Engineering Association, American Ordnance Association, Atomic Industrial Forum.

Experience

Member of firm of Sanderson & Porter, 1947 to date.

American Turbine Corp. (president). Company formed by Sanderson & Porter and Escher Wyss, Switzerland, as licensor in the United States of the Escher Wyss closed cycle gas turbine under U.S. patents. 1950 to date.

Taylor Turbine Corp. of New York. Formed by him in 1946 for the manufacture and sale in the United States of gas turbine engines designed and manufactured by Rolls-Royce Ltd., England. In 1947 these rights were sold to United Aircraft Corp., which produced many hundreds of Turbo wasp engines under this license. 1946–47.

Pan American World Airways, consultant, 1945.

Wright Aeronautical Corp., 1922–45. Started as a test engineer, advanced as chief engineer in 1930. This position was held until 1940, during which period the famous cyclone series of aircraft engines were designed and developed under his direction. Was appointed assistant general manager in 1940 and was elected a vice president 6 months thereafter. During the 5 years that followed the Wright Co. expanded from approximately 6,000 employees to over 85,000 with five manufacturing plants in New Jersey and one in Ohio, as well as three licensees having more than 50,000 employees. Promoted to acting general manager of the Wright Aeronautical Corp. in 1944.

E. W. Bliss Co., Brooklyn, N.Y.—Machine operator.

Morgan Construction Co., Worcester, Mass., 1920–22—Machine shop clerk.

The American Steel & Wire Co.—Bench mechanic.

U.S. Navy Aircraft Engine Test Laboratory, Washington Navy Yard, Washington, D. C.—Engine tester, 1918.

U.S. Naval Reserve—Enlisted as seaman and assigned to Officers' Training School at Yale University, 1918.

Technical committees, U.S. Government

National Advisory Committee for Aeronautics Powerplant Committee, 1944.
Research and Development Board Committee on Aeronautics—Chairman, Aircraft Propulsive Systems Panel, 1948–49.
Chairman, Committee on Aeronautics, 1949–53.
Scientific Advisory Board to the U.S. Air Force Panel on Fuels and Propulsion, 1951–52.
Advisory Panel on Aeronautics, steering group, Office of the Assistant Secretary of Defense (Research and Development), 1954–57.

STATEMENT OF JAMES H. DOUGLAS, THE SECRETARY OF THE AIR FORCE

Secretary DOUGLAS. Mr. Chairman, I would like to say that I regard myself, as the Secretary of the Air Force and also the Defense Department as being very fortunate in being able to propose the approval of the nomination of Mr. Philip B. Taylor.

Mr. Taylor had a wide experience with the aviation industry problems during some 23 years when he was with Curtis-Wright Corp.

He has also had considerable experience in the Defense Department with committees of the old Research and Development Board.

I would just like to say that after giving careful consideration to the whole problem, Mr. Taylor was my first choice as a successor to Mr. Sharp, and I am very much pleased that Mr. Taylor and his associates felt it practical for him to serve, if approved.

Chairman RUSSELL. The Chair was advised that Senator Clifford Case, of New Jersey, was to make a statement endorsing this nomination, but Senator Case is engaged in another committee.

If Senator Case comes in before the committee recesses, I am sure we will be glad to hear his statment.

All right, Mr. Taylor, tell us something about yourself.

STATEMENT OF PHILIP B. TAYLOR, NOMINATED TO BE ASSISTANT SECRETARY OF THE AIR FORCE

Mr. TAYLOR. I am Philip Brodt Taylor, of Montclair, N.J. I was born in New York in 1899 and moved to Montclair in 1905, where I have lived ever since, with a few minor interruptions.

I was educated in the Montclair public schools and Yale University, where I was graduated with a degree in engineering in 1920.

During the First World War I was employed in the Washington Navy Yard, working on aircraft engines, and then enlisted in the Navy and was assigned to officers' school at Yale University, receiving my discharge at the end of the war.

Upon graduation from college I spent 2 years working in and around production machine shops for experience in this field. I then joined the Wright Aeronautical Corp. in 1922 where I remained for 23 years. During this period I advanced from the position of test engineer to chief engineer. After serving 10 years in this capacity, I was promoted to assistant general manager and elected a vice president. My final year of service with the Wright Aeronautical Corp. was as acting general manager, which occurred the last year of the Second World War.

Upon leaving Wright Aeronautical Corp., I was employed by Pan American World Airways Systems to analyze and predict the position of gas turbine powerplants in commercial aircraft. To complete this assignment, I visited all the producers and potential producers of gas turbine aircraft powerplants and finally prepared a report which predicted the use of jet engines for commercial transport.

Chairman RUSSELL. Glad to see you, Senator Case. Come right up here.

You may continue with your statement, Mr. Taylor.

Mr. TAYLOR. Resulting directly from this experience, I formed the Taylor Turbine Corp., obtained a license for the production and sale of the leading Rolls Royce gas turbine engine in the United States, and sold this technique to the United Aircraft Corp., at which time my corporation was liquidated. This resulted in the development of the Turbo-Wasp engine, an important element in military powerplants of the late 1940's and still in use today.

In 1947 I joined the firm of Sanderson & Porter as a partner and directed their engineering activities, which consisted of the construction of steam power generating stations, chemical plants, and other heavy and complicated projects. In 1955 I relinquished the general engineering activity and concentrated on special projects and consulting in the aircraft and related industries. These consisted of a closed cycle gas turbine powerplant which finally developed into a nuclear powerplant for ships' propulsion and power generation. The latter phase of this is being supported by the Atomic Energy Commission at the present time.

If my nomination for Assistant Secretary of the Air Force for Materiel is approved, I am prepared to resign from the partnership of Sanderson & Porter and sever all connection with this firm. I would, however, be paid for services at the end of the current year. Also, for their financial convenience, I would expect to accept a 2-year interest-bearing note for part of my interest in the firm.

My present listed stockholdings are as shown on the attached sheet which I believe you have a copy of.

I also hold two unlisted stocks, which I believe have no bearing on my Government interest. They are: Tapawingo Humus, which is a small company engaged in selling humus from a bog in New Jersey, and the American Turbine Corp., which is owned 50 percent by the partners of Sanderson & Porter and 50 percent by Escher Wyss, Ltd., of Switzerland. I have resigned as an officer and director of this company, which is completely inactive at the present time.

Concerning other outside activities, I am a member of the advisory committee of the Princeton University Engineering Department, and a member of a similar committee at Miami University. I am also a member of the board of directors of the Tapawingo Humus Co. None of these activities involves remuneration.

My present residence is 80 Norwood Avenue, Upper Montclair, N.J.

Chairman RUSSELL. Before asking any questions of Mr. Taylor, I will be glad to hear from Senator Case, who, as I stated earlier had indicated an interest in appearing on this nomination.

STATEMENT OF HON. CLIFFORD P. CASE, A U.S. SENATOR FROM THE STATE OF NEW JERSEY

Senator CASE. Thank you, Mr. Chairman. You are very thoughtful and I apologize for not being here at the outset to make the first introduction of Mr. Taylor to the members of the committee.

In any event, it is my deep pleasure to say just a word on behalf of Mr. Taylor and in support of his nomination. He is a man whose experience and qualifications have been outlined already by himself and Secretary Douglas. I shall not add further to this beyond saying that in this community and in his State, he is a man of distinction; a quiet man, yet one who is a figure in the community where he lives and in the State itself.

He is a person we are proud of and who will do a fine job in this capacity as he has in all other capacities and one whom I am very proud to support as strongly as I possibly can.

Thank you, Mr. Chairman.

Chairman RUSSELL. Glad to have heard you, Senator Case.

Mr. Taylor, your duties of course are in the field of materiel and procurement; were they not?

Mr. TAYLOR. Yes, sir.

Chairman RUSSELL. I was noticing the stockholdings of yours. Have you checked them against the business that is done by the Department of the Air Force to ascertain which ones have considerable business with the Department of the Air Force?

Mr. TAYLOR. Yes; would you like me to enumerate them?

Chairman RUSSELL. I would like to have some information on that.

Mr. TAYLOR. The second one, Flexible Tubing has a $15,000 development contract with the Air Force at this time.

It is a small company in Connecticut. It does some subcontracting business for Air Force primes.

Chairman RUSSELL. Is that contract in the area of research and development?

Mr. TAYLOR. Research and development, that is right.

It is my view that the business of flexible tubing would have no connection with my office. If it did have, I certainly would be prepared to disqualify myself, and if the committee thinks that my position is, shall I say, hazardous in regard to special interest, I would be glad to dispose of the stock.

The Johns Mansville Co. has a $300,000-odd contract with the Air Force. It is a large company, as you all know, and $300,000 isn't very much of its business.

Again, my holdings are small, 200 shares, and its business is very large and this is a minuscular portion.

Chairman RUSSELL. Is that a procurement contract or a research and development contract?

Mr. TAYLOR. The Secretary tells me it is a construction contract.

Secretary DOUGLAS. It may be a construction contract.

Mr. TAYLOR. It says procurement of blankets which is an insulator for engines, I assume, or for something.

Now, Lone Star Gas Co. has some contracts to supply gas to certain Air Force bases, a fairly substantial amount of money.

Chairman RUSSELL. Those prices are regulated, I assume, by some public service commission and are not subject to bid or to negotiation?

Mr. TAYLOR. That is correct.

Chairman RUSSELL. All right.

Mr. TAYLOR. The same with the Southern California Edison and Niagara Mohawk and those are the only Air Force contracts that are involved in this set of stocks with the exception of Standard Oil of New Jersey and the Texas Co. which deals with the Navy through a single manager for petroleum products.

The Air Force has no direct connection with the procurement of petroleum products because it is set up as a single manager run by the Navy.

My holdings in Standard Oil of New Jersey——

Chairman RUSSELL. You needn't give us those unless you wish to as we don't ask anybody to state whether they have 5 shares or 500. You need not give the numbers. If you do, we won't object.

Mr. TAYLOR. My holdings are very small, let's put it that way.

That is all that I can unearth.

Chairman RUSSELL. The National Steel then is not involved? I don't know that company.

Mr. TAYLOR. From my information, it is not.

Chairman RUSSELL. Mr. Taylor, I believe your predecessor had some stock in some of these petroleum companies and the committee requested him to sell them.

Would you object if we requested you to divest yourself of these?

Mr. TAYLOR. I wouldn't be pleased, but I would conform to your wishes.

Secretary DOUGLAS. Mr. Chairman, might I just make one comment?

Actually, I remember that I had some Texas corporation which I sold when I was confirmed as Under Secretary.

The procurement situation has changed since that time. The procurement 5 years ago was a petroleum purchasing committee upon which there was an Air Force representative. Since that time, the single manager for petroleum products has been created which is the Navy.

It is a fact that the Air Force does not participate in the procurement of petroleum products.

Chairman RUSSELL. Mr. Secretary, I am sure that you are correct in that. The Navy is the agent for the procurement of petroleum but, of course, the Air Force does prescribe the standards of the petroleum products that they wish to acquire and, unfortunately perhaps for Mr. Taylor, when Mr. Dudley Sharp, who he succeeded, was before this committee, he had some stocks in one of these companies that was in trust. He wasn't holding them outright and the committee asked him to dispose of them and it would place the committee in a rather inconsistent position now.

At the time Mr. Sharp was confirmed, the Navy was procuring petroleum products.

Secretary DOUGLAS. No, the committee, sir, at that time was the procurement authority and I believe you will find that Mr. Sharp, in some distribution, received a very small number of shares of Standard of New Jersey within the last year or year and a half, and advised the committee by letter asking what the committee's pleasure was.

Chairman RUSSELL. I think that is true.

Secretary DOUGLAS. And he pointed out in that letter that the procurement situation had changed since the time of his original confirmation. So, I think it would be consistent.

I think it would be consistent for the committee to take a different position, if it deems it wise.

Chairman RUSSELL. We would be glad to get from you a memorandum on the dates when these changes were made, but it is my recollection that the Navy was the primary procurement agency for petroleum products at the time of Mr. Sharp's confirmation.

I could be wrong about that, however.

Secretary DOUGLAS. I could be wrong, but there was an Air Force representative.

Chairman RUSSELL. Senator Saltonstall, did you have some questions?

Senator SALTONSTALL. Mr. Taylor, if you would be willing to tell us in this connection I think it would be helpful. Do you own many shares of Standard Oil and of the Texas Co.?

Mr. TAYLOR. No, sir; I own 372 shares of Standard Oil and 140 shares of the Texas Co.

Senator SALTONSTALL. Your problem with relation to the sales then is the question of the capital gains tax.

Mr. TAYLOR. I have held them since 1947, so I am thoroughly locked in.

I have already disposed of the other stocks which I thought were in conflict which I haven't mentioned because they are no longer in the picture, but I have a very substantial capital gains tax to pay already.

I am not asking for your sympathy in that regard, however. I am privileged to work for the Government and I am very willing to dispose of it.

Senator SALTONSTALL. May I ask you this question: The chairman has suggested that Mr. Douglas give the committee a letter with relation to the present setup on petroleum as far as the Air Force is concerned.

Now, assuming that after the receipt of that letter or assuming that we found no objection to confirming you at this meeting, which presumably we would like to act on, and then we get the memorandum from Mr. Douglas and at the receipt of that memorandum we believe it would be helpful to have you sell those stocks. Would you be willing to do that?

Mr. TAYLOR. I certainly would. Yes, I will do that.

Senator SALTONSTALL. So, if we voted to confirm you today and then this memorandum disturbed us, you would be willing to sell those stocks?

Mr. TAYLOR. I will follow your wishes entirely.

Senator SALTONSTALL. Mr. Chairman, I have no other questions except to call to your attention, sir, that this morning we are voting on a Princeton man and a Yale man.

Chairman RUSSELL. I congratulate both of those institutions.

Senator Smith, did you have any questions?

Senator SMITH. I have no questions, Mr. Chairman.

Chairman. RUSSELL. Senator Engle?

Senator ENGLE. No questions.

Chairman RUSSELL. Senator Beall?
Senator BEALL. No questions.
Chairman RUSSELL. Senator Cannon?
Senator CANNON. No questions.
Chairman RUSSELL. Senator Bartlett?
Senator BARTLETT. No questions.
Chairman RUSSELL. Thank you, gentlemen.

(The nominations of Philip B. Taylor, of New Jersey, to be Assistant Secretary of the Air Force, and Cecil P. Milne, of Wisconsin, to be an Assistant Secretary of the Navy were subsequently approved by the committee in executive session and confirmed by the Senate on April 13.)

We have one bill for consideration in open session. It is H.R. 3293, which would authorize the construction of 20,000 tons of amphibious warfare vessels and landing craft, and 4,000 tons of patrol vessels.

(H.R. 3293 is as follows:)

H.R. 3293

86TH CONGRESS, 1ST SESSION

AN ACT To authorize the construction of modern naval vessels

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized to undertake the construction of not to exceed twenty thousand tons of amphibious warfare vessels and landing craft and not to exceed four thousand tons of patrol vessels.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary for the construction of the foregoing vessels.

Passed the House of Representatives March 13, 1959.

Attest:

RALPH R. ROBERTS, *Clerk.*

Chairman RUSSELL. This authorization apparently is needed to support an appropriations request for the vessels involved that is already under consideration in the House.

Members of the committee will recall that the Navy has replaceable shipbuilding authorization, but the authorization is insufficient to accommodate some of the vessels in this year's program.

I am sure this point will be developed further by the witnesses.

The witnesses on this bill are Vice Adm. W. M. Beakley, Deputy Chief of Naval Operations and Rear Adm. L. V. Honsinger, the Assistant Chief of the Bureau of Ships.

Gentlemen, you may proceed.

STATEMENT OF VICE ADM. W. M. BEAKLEY, DEPUTY CHIEF OF NAVAL OPERATIONS, ACCOMPANIED BY REAR ADM. L. V. HONSINGER, ASSISTANT CHIEF, BUREAU OF SHIPS, AND CAPT. RAY CONNER, OFFICE OF CHIEF OF NAVAL OPERATIONS

Admiral BEAKLEY. Mr. Chairman, I am Vice Admiral Beakley, Deputy Chief of Naval Operations for Fleet Operations and Readiness.

I am appearing before you in support of H.R. 3293.

I will discuss each one of these ships briefly, if I may, and then Rear Admiral Honsinger will discuss in more detail the Navy requirements for tonnage.

I have sketches of each one of these ships.

(The statement in full of Admiral Beakley is as follows:)

STATEMENT OF THE DEPUTY CHIEF OF NAVAL OPERATIONS (FLEET OPERATIONS AND READINESS), VICE ADM. WALLACE M. BEAKLEY, USN

Mr. Chairman and members of the committee, I am Vice Admiral Beakley, Deputy Chief of Naval Operations for Fleet Operations and Readiness.

I am appearing before you in support of H.R. 3293.

The purpose of this bill is to authorize the President to construct not to exceed 20,000 tons of amphibious warfare ships and landing craft and not to exceed 4,000 tons of patrol vessels. This authorization will provide adequate tonnage for 2 amphibious ships, 2 escort ships, and 1 patrol craft in our fiscal year 1960 shipbuilding and conversion program. I would like to discuss each of these briefly. Rear Admiral Mumma, Chief of the Bureau of Ships, will discuss in more detail the Navy's requirement for this tonnage authorization.

AMPHIBIOUS SHIPS

1. Amphibious transport, dock (LPD)

The amphibious transport, dock (LPD) and amphibious assault ship (LPH) will form the nucleus of the assault landing force. These are new types which were developed by the Navy and Marine Corps especially for use in assault by vertical envelopment.

The amphibious transport, dock (LPD) which I will discuss first will carry transport helicopters and will also carry landing craft. It will transport and land about 900 troops and their landing equipment. It will transport troops by helicopter and the equipment and cargo that is essential, but too heavy to be transported by helicopter, will be delivered ashore by boat, to complement the assault elements landed by helicopter. Both the landing craft and the helicopters may be launched when the ship is underway or stopped.

This ship can carry six of the large transport helicopters and three of the large utility landing craft or six of the smaller personnel landing craft.

It was designed to replace the attack transport (APA) and attack cargo ship (AKA). The big advantage of this ship is that the men and their equipment will both be carried in the same ship.

The first of these was included in our fiscal year 1959 program so this will be the second of this type. The first one will be in the fleet about June 1962.

One amphibious assault ship (LPH)

The second new type amphibious ship, the amphibious assault ship (LPH) will combat load and transport Marine Corps helicopters and troops but will not carry landing craft. The troops and their essential landing equipment will be landed by their transport helicopters, to effect a maneuver or vertical envelopment, from dispersed positions at sea. Troops may thus be landed over any type beach via helicopter from positions 50 to 100 miles off the coast. This will eliminate the hazards of concentrating large numbers of men and equipment in a beach area in the early stages of an assault landing as was done in World War II. Such a concentration would be untenable in nuclear warfare.

This ship may also carry antisubmarine helicopters and operate as an antisubmarine warfare ship when not in use as an amphibious ship.

This ship will carry 20 of the large amphibious transport helicopters HR2S or 30 of the smaller HUS types and will land a battalion landing team of about 2,000 troops and their assault equipment.

Two of these ships have approved in previous programs. The first of these will join the fleet early in 1962.

ESCORT VESSELS

Two escort vessels (DE)

The two patrol ships which we call escort vessels or DE's are of a new design. They have improved seaworthiness over previous escort vessels plus significant improved antisubmarine features.

These DE's will be the first new ships to carry the integral bow mounted long range sonar and the Drone antisubmarine helicopters (DASH). An antisubmarine rocket launcher and ASW torpedo launchers are provided for destruction of submarines at medium ranges and the Drone helicopters carrying ASW torpedoes will be used for long-range destruction.

One single 3''/50 caliber mount will be installed forward and one twin 3''/50 caliber rapid fire mount aft will provide for limited self-defense.

One submarine chaser (Hydrofoil)—PC(H)

The patrol craft is a new design of a submarine chaser with hydrofoils added. It will patrol harbors, harbor approaches, and coastal waters.

The "grasshopper" operational technique similar to that used by ASW helicopters will be used in search operations. That is, ASW search will be conducted at a very slow speed to permit maximum detection range and high speed will be used between search positions and for the attack.

Two sonars and magnetic detection equipment will be installed. One sonar will provide maximum detection under normal conditions. The other, a variable depth sonar, and magnetic detection equipment will provide for increased detection and classification below the thermal layer.

For the kill it will carry ASW torpedoes to be fired from two twin torpedo tubes and for shallow water work, depth charges to be dropped from a rack located in the stern.

A twin 50 caliber machine gun is installed for close-in protection.

This craft will be 115 feet long and have a light displacement of 80 tons.

The ships represented here will make significant contributions toward a modern Navy capable of doing its job effectively.

On behalf of the Department of the Navy I strongly recommend your favorable consideration of this bill.

Chairman RUSSELL. What do you call that again?

Admiral BEAKLEY. An amphibious transport dock. Now this end, as you see on the chart is closed up. The gate drops and the ship is ballasted down so that the boats can operate in and out. The helicopters land on the covered deck.

Chairman RUSSELL. Can any other type of aircraft other than helicopters be landed on the deck?

Admiral BEAKLEY. No, sir; we might have a vertical takeoff aircraft at some future date.

Chairman RUSSELL. What are the dimensions of that ship?

Admiral BEAKLEY. The ship is about 510 feet long.

Chairman RUSSELL. What is the tonnage?

Admiral HONSINGER. 8,000 tons, sir, if I might speak and with an 82-foot beam.

Chairman RUSSELL. What do they cost?

Admiral HONSINGER. Approximately $29 million.

Chairman RUSSELL. How many of those do you propose to build?

Admiral BEAKLEY. One this year. We have one building from last year.

Chairman RUSSELL. Where will that ship operate?

Admiral BEAKLEY. Either ocean, sir, as part of the amphibious forces.

Chairman RUSSELL. What I had in mind was would it be attached to some task force like the one in the Mediterranean or the Formosa Straits, or will it operate off of our own coast primarily.

Admiral BEAKLEY. No. As soon as we get them they will operate primarily as part of the 6th and 7th Fleets, we are operating landing ship docks (LSD's) in both of those places at the present time, sir, but this ship has the added convenience of the helicopter platform.

Senator SALTONSTALL. Mr. Chairman, if I may, you say that these launches will come up underneath it?

Is it proposed, for instance, to anchor them or to secure them underneath?

Admiral BEAKLEY. No; they just run right inside.

Senator SALTONSTALL. Do they come directly from the water into the ship?

Admiral BEAKLEY. They pump these tanks here, and the stern comes up and the boats are docked inside of the ship.

Senator SALTONSTALL. How much depth is there between the water level and the bottom of the ramp?

Admiral BEAKLEY. Well, the clearance over the ramp so that they can run in and out is probably 6 to 8 feet when ballasted down.

Admiral HONSINGER. I would guess the overall draft then to be about 26 to 28 feet. This is quite like an LSD of World War II.

Senator SALTONSTALL. So the theory is that your launches would go across the oceans dried out inside of the ship?

Admiral BEAKLEY. Yes, sir.

Senator SALTONSTALL. What is the draft of the ship?

Admiral BEAKLEY. About 20 feet.

Senator SALTONSTALL. Thank you, Mr. Chairman.

Senator BARTLETT. How many officers and men will the ship carry?

Admiral BEAKLEY. There are about 900 Marines and troops and I would say there were about 25 officers and 400 men to operate the ship.

Chairman RUSSELL. All right, sir, proceed.

Admiral BEAKLEY. The next chart shows the amphibious assault ship, the LPH. This ship will combat, load, and transport Marine Corps helicopters and troops. It does not carry landing craft. The troops and their essential equipment will be landed by helicopters from dispersed positions at sea and using these two types of amphibious ships it eliminates the hazards of concentrating large men and equipment in the beach area in the early stages of an assault landing such as we did in World War II, since these concentrations are now untenable in nuclear warfare.

This ship could also carry antisubmarine helicopters. It will carry 20 of the large transport helicopters or 30 of the smaller and land a complete landing team of about 2,000 troops and their assault equipment.

Chairman RUSSELL. I thought we approved that ship last year, authorized some of those.

Admiral BEAKLEY. You did, sir, two of them, one LPD and one LPH.

Chairman RUSSELL. They are under construction now?

Admiral BEAKLEY. Yes, sir.

Chairman RUSSELL. These are in addition to that authorization?

Admiral BEAKLEY. Yes, sir; the first of these will join the fleet early in 1962 and these ships, as they come out, will replace the old World War II amphibious ships that we have.

This is a very good versatile ship, about 600 feet long and a draft of somewhere in the neighborhood of 25 feet.

Senator SALTONSTALL. Why aren't these two ships together? Aren't these two ships somewhat duplications? If you have an amphibious transport dock that will carry launches and will carry helicopters, why can't she serve the purpose that the second assault ship serves which will carry no launches but merely carry helicopters?

Isn't that somewhat of a duplication or is there a question of speed and draft, and so on?

Admiral BEAKLEY. Their speed is about the same, sir, both of them.

Senator SALTONSTALL. What is the draft of the second one?

Admiral BEAKLEY. Twenty feet. You will notice that the LPD has a good size well in it. It carries heavy equipment which is not trans-

portable by helicopter. We must have some ability to get these heavy weights in and across the beaches, sir.

Senator SALTONSTALL. You mean they will go across in the dock?

Admiral BEAKLEY. They go across in these large craft, the LCU.

Senator SALTONSTALL. The assault boats?

Admiral BEAKLEY. Assault boats; yes, sir.

Senator SALTONSTALL. How do you get them out of there?

Admiral BEAKLEY. They just steam in and out of the stern.

Senator SALTONSTALL. No; I guess we are talking at cross purposes here. The assault ship has no dock inside of it.

Admiral BEAKLEY. That is correct. However the LCU carried in the LPD has a ramp for beaching purposes.

Senator SALTONSTALL. It has a ramp that will go up on the shore?

Admiral BEAKLEY. It goes right up on the beach.

Senator SALTONSTALL. So that will go up on the shore and the dock will draw 25 feet?

Admiral BEAKLEY. It stays out.

Senator SALTONSTALL. And she stays out and she is a repair ship for helicopters and also will carry launches?

Admiral BEAKLEY. That is right.

Senator SALTONSTALL. How many launches will she carry?

Admiral BEAKLEY. She will carry three of these big ones which are good sized ships themselves, or six of the smaller ones.

Chairman RUSSELL. Has it been designed for use in some such situation like the one at Lebanon?

Admiral BEAKLEY. Yes, sir.

Senator JACKSON. Mr. Chairman, may I ask a general question?

Chariman RUSSELL. Yes, Senator Jackson.

Senator JACKSON. Admiral, is it possible to convert some of your carriers, for example, in the laid-up fleet, the better carriers in connection with this program so as to avoid new construction or would it be too costly?

Admiral BEAKLEY. We are already using some of our aircraft carriers as interim ships for this LPH, but they take about 1,100 men against about 600 to operate this new LPH. They are also getting pretty well worn out and won't be with us too much longer.

Some of these aircraft carriers that we are using now will be 20 years old before 1964. But this year, we have put the *Princeton* and *Bozer* in as substitutes for this ship. They are too large, much larger than we need. They require about twice the personnel and are twice as expensive to operate as the new LPH.

In addition, they don't have much greater troop space in them than these ships have and yet, they take large, expensive crews to operate.

Also, this ship will make fairly good speed and at a considerable saving in fuel.

Senator JACKSON. What I am getting at is you have reviewed all of that and have come to the conclusion that it would not be economically feasible to utilize any of the existing Reserve fleet in connection with what you are proposing today?

Admiral BEAKLEY. Not except as an interim measure, sir.

Senator JACKSON. Well, I mean naturally that you had to have a certain capability at all times but you feel that it would not be sound from the economic standpoint to convert or beef up or improve any

of the existing ships to do what you are proposing here today in total or in part, either way?

Admiral BEAKLEY. It would be most uneconomical. We are building toward ships that will last us 20 years here and to make the old ones do that by rehabilitating them would require much more than $29 or $30 million.

Senator JACKSON. Have you reviewed the possibility of using nuclear propulsion in any of these ships?

Admiral BEAKLEY. It is too expensive, sir, by far, and these ships will run more or less point to point.

You know where you are going when you start out and it is very seldom that we have ever had to refuel an amphibious ship. We do it once in a while more or less as training but you can very easily build these ships big enough to go the distance you want them to go and come back. The price differential in fuel and original cost is out of this world for nuclear propulsion.

Chairman RUSSELL. You may proceed, sir.

Admiral BEAKLEY. These are the two ships in the amphibious class.

As the chart shows and as reflected in my testimony, the next are the escort class. This is the escort vessel. It is a class in which we need many replacements and are very deficient in.

This type, this DE, will be the first of the new ships to carry an integral bow-mounted long-range sonar and drone helicopters. It will also carry out antisubmarine torpedoes and an antisubmarine rocket launcher.

It will have one 3-inch 50 rapid fire gun here, and two 3-inch 50's here for limited self-defense.

Senator SALTONSTALL. What is the speed of that vessel?

Admiral BEAKLEY. Somewhere around 25, sir. We don't like to quote speeds in open session but it is in that order.

Senator JACKSON. Right at that point, Mr. Chairman, if I might ask a question.

Chairman RUSSELL. Certainly.

Senator JACKSON. How often do you have to refuel the DE?

Admiral BEAKLEY. As an escort vessel she probably would be refueled once on a trip across the Atlantic to keep her up.

Senator JACKSON. But if you are going to use it in connection with ASW, they are going to be out for long periods of time, aren't they?

Admiral BEAKLEY. They can refuel from almost any type of ship, sir. They might refuel from one of the large ships in the formation.

Senator JACKSON. Isn't this one area, though, where nuclear propulsion has some merit?

Admiral BEAKLEY. We can't afford it, sir. I am for nuclear propulsion but the price of this ship is such that we are getting two for $38 million in this year's budget.

I would venture to say that with the current prices we could get two for maybe $200 million in nuclear-powered vessels. Actually we cannot put nuclear power in a ship of this size and tonnage at present.

Senator JACKSON. Thank you.

Admiral BEAKLEY. And we need large numbers of them, sir.

Chairman RUSSELL. Is that all, Senator Jackson?

Senator JACKSON. That is all, Mr. Chairman. Thank you.

Chairman RUSSELL. All right, proceed, sir.

Admiral BEAKLEY. On the next chart is another part of the patrol class for which we are asking extra tonnage.

This is a small submarine chaser, 115 feet long. She will do very high speed when she comes up on the foils which you can see here. It can also operate waterborne at moderate speeds. It will be used to patrol harbors, harbor approaches and coastal waters. It is probably used to a limit of somewhere between 200 to 250 miles off the coast.

It has two sonars (including one of the variable depth type), and magnetic detection equipment.

It operates on the "grasshopper" principle. When it slows down, the hull goes into the water; its sonar is lowered and activated. If contact is not gained, she retracts the sonar, raises up on the foils and moves at high speed to the next position. If she does get a contact, she raises up and moves to the contact and launches her torpedoes for the kill. She also carries depth charges.

There are also two twin 50-caliber machineguns mounted topside for limited self-protection. It is as I said, 115 feet long. This is a ship type which we believe we will see more of in the future.

It is very efficient, high-speed device.

Chairman RUSSELL. What does one of those ships cost? What is the estimated cost?

Admiral BEAKLEY. The cost of this ship is $3.7 million.

Chairman RUSSELL. It cost nearly as much to get a subchaser now as we used to pay for a cruiser.

Admiral BEAKLEY. Well, about half the cost of a World War II destroyer. You have been here long enough to see such large changes in cost, Mr. Chairman.

Admiral HONSINGER. A good deal of development work went into this particular thing, Mr. Chairman, of course, as this is the first of its kind of this size.

Senator SALTONSTALL. Mr. Chairman, might I ask a question?

Chairman RUSSELL. Certainly.

Senator SALTONSTALL. Admiral, it occurs to me that we have a very substantial amount of authorized construction for the Navy now outstanding.

This means that you can go forward on aircraft carriers and a certain amount of other ships if you can get the money.

Now, if we authorize this new construction of these new types of ships, why shouldn't we give consideration to canceling out some of this large amount of unused authorized construction that the Navy now has? Wouldn't that be wise? Otherwise, we lose touch.

Admiral BEAKLEY. Senator Saltonstall, your point is well taken and I believe Admiral Honsinger in his part of the presentation will go into a review of how much we have.

It happens that in this amphibious and escort class we are caught in a special part of the law that pertains only to these types of vessels.

Senator SALTONSTALL. I think they should certainly be a part of this bill but I was wondering, Mr. Chairman, if the proper official in the Navy Department wouldn't give us a memorandum on that which would show the authorized tonnage outstanding on which you can go ahead without further action by this committee. I would also like the answer in the various categories.

Admiral HONSINGER. I could give that to you right now, if you like it.

Admiral BEAKLEY. My part of the presentation is concluded, Mr. Chairman.

Admiral Honsinger is prepared to go into detail on the Senator's question.

Chairman RUSSELL. Did you have a prepared statement, Admiral?

Admiral HONSINGER. Yes, sir; I have a prepared statement which I will read and then answer the questions of Senator Saltonstall.

(The statement referred to follows:)

STATEMENT OF REAR ADM. L. V. HONSINGER, U.S. NAVY, DEPUTY AND ASSISTANT CHIEF OF THE NAVY'S BUREAU OF SHIPS

Mr. Chairman and members of the committee, I appreciate this opportunity to testify in support of H.R. 3293, a bill to provide tonnage authority for construction of five ships in the Navy's 1960 shipbuilding program. These ships consist of 2 amphibious warfare vessels, 2 escort vessels, and 1 hydrofoil submarine chaser.

The Navy has adequate authorizations remaining from existing statutes to build all other ships and craft in the new program.

Ample authority for the 10 warships is provided by the Vinson-Trammell Act and succeeding statutes. Unobligated balances from the act of March 10, 1951 (Public Law 3, 82d Cong.), are sufficient for construction of the auxiliary vessels and the service and other small craft. However, the Navy has available from Public Law 3 a total of only 6,883 tons for construction of amphibious warfare vessels. The amphibious assault ship and the amphibious transport, dock have a combined tonnage of about 19,000.

For construction of patrol vessels, there is available from Public Law 3 and from the act of July 29, 1954 (Public Law 548, 83d Cong.), a total of only 314 tons. Two escort vessels and the hydrofoil submarine chaser, which are classified as patrol vessels, have a combined tonnage of 3,360.

The Navy has insufficient tonnage to build the two amphibious warfare vessels and the 3 patrol vessels, because overage replacement authority exists only for certain types of major combatant ships.

The authority provided by H.R. 3293 will enable the Navy to build these five ships, and I strongly recommend its enactment.

Admiral HONSINGER. To summarize the tonnages we now have on the books, there are several categories and suppose I read from these, Mr. Chairman, and I believe that will answer Senator Saltonstall's question.

Chairman RUSSELL. Very well.

Admiral HONSINGER. Under the combatant ship category, we have 1,986,000 tons.

This tonnage comes from a half dozen different acts which I will likewise give you.

Under amphibious warfare vessels, we have 6,883 tons available. Mine warfare, 2,266 tons. On patrol vessels, we have 314 tons. That adds up to 1,995,463 tons.

The two categories in which we don't have enough to carry the ships we are now asking for this morning are amphibious warfare and patrol.

Unfortunately, the tonnages specified for those categories of combatant ships are inadequate. Therefore, we have to have additional authorization to build those ships.

Under the auxiliary vessel type we have 32,450 tons of authorized tonnage available.

Under service craft, we have 3,390 available.

Under experimental vessels, we have 980 tons.

This makes a grand total, everything included, of 2,032,283 tons.

Chairman RUSSELL. Well, under Vinson-Trammell, as amended, there is general authority to replace. Doesn't it fix a ceiling in certain categories, and if you were to lose a ship, for example, you wouldn't have to come here for an authorization?

Admiral HONSINGER. Yes, sir, that is correct. On the aircraft carriers and on the other large, combatant ships.

Chairman RUSSELL. Doesn't that hold true with cruisers?

Admiral HONSINGER. It is true of those types, sir.

Chairman RUSSELL. On what?

Admiral HONSINGER. The large combatant ships with guns exceeding 8 inches and displacement exceeding 10,000 tons, and the aircraft carriers.

Those replenish themselves by overage or destruction.

Chairman RUSSELL. So it is just those two categories that you have the replacement authority on—on submarines, for example, you would have to come here for additional authority?

Admiral HONSINGER. No, sir. The Vinson-Trammell Act and succeeding statutes provide replacement authority for submarines and other types of warships.

Chairman RUSSELL. Senator Saltonstall?

Senator SALTONSTALL. My only comment would be how would the Navy feel Admiral, if, for instance, a bill was passed to cut that combatant tonnage down to 1 million tons?

Admiral HONSINGER. I think that would be all right, sir.

Senator SALTONSTALL. In other words, not to exceed 1 million tons because that was really done for World War II.

Admiral HONSINGER. Yes, sir, it is an accumulation of bills going back to 1934.

Chairman RUSSELL. Why was the distinction drawn on the 8-inch gun?

Admiral HONSINGER. It came from the Washington Treaty where it was a limitation by the treaty powers.

Chairman RUSSELL. If I understand your definition, it was a destroyer or destroyer escort that Congress must authorize for.

Admiral HONSINGER. It is over and above this 1.9 million right today that Congress must authorize as we need more authority for other types, but we have that 1.9 million total at the moment.

Chairman RUSSELL. As a matter of fact, that covers anything you are going to be able to get through the Budget Bureau in the immediate future, I assume.

Admiral HONSINGER. It certainly does.

We have proposed a revision of this, I think, for about the last 4 years. I don't believe it has come up for consideration.

Chairman RUSSELL. I wish you would get us a memorandum, Admiral Honsinger, that would give us this authorization, the amount in each category that you have operational; the amount that you have in mothballs; some of these areas you do have ships in that are not in mothballs and so that I can have it available here for members of the committee who might inquire like Senator Saltonstall has.

Admiral HONSINGER. It is very complex and difficult to keep in mind, I realize.

I will furnish you with the complete story.

(The information requested follows:)

The Vinson-Trammell Act (act of March 27, 1934, 48 Stat. 503) and succeeding statutes provide replacement authority for lost and overage combatant ships of certain types, now classified as warships. These types are aircraft carriers, battleships, cruisers, destroyers and submarines. The Vinson-Trammell Act established the tonnage composition of the Navy, with respect to major combatant ships, at limits fixed by the Washington (1922) and London (1930) naval treaties. The Washington Treaty fixed limits for capital ships (defined as a vessel of war whose displacement exceeded 10,000 tons and which carried a gun of over 8-inch caliber) and aircraft carriers. The London Treaty fixed limits for cruisers, destroyers and submarines. Following expiration of these treaties, Congress increased from time to time the authorized composition of the Navy with respect to these combatant types. At present, the following tonnage balances which may be used for building any warship type are available from the following statutes:

	Tonnage
Act of Mar. 27, 1934 (Public Law 135, 73d Cong.)	468,652
Act of May 17, 1938 (Public Law 528, 75th Cong.)	71,458
Act of June 14, 1940 (Public Law 629, 76th Cong.)	21,300
Act of July 19, 1940 (Public Law 757, 76th Cong.)	563,518
Act of Dec. 23, 1941 (Public Law 369, 77th Cong.)	75,400
Act of July 9, 1942 (Public Law 666, 77th Cong.)	785,672
Total	1,986,000

The Navy does not have replacement authority for other types of ships developed, for the most part, in more recent years. These ships, for which authorizations have been granted from time to time as necessary, consist of amphibious warfare and mine warfare vessels, patrol vessels, auxiliaries and service craft. Following is a statement of all tonnage authorizations currently available for new naval construction:

	Unobligated balances		Total
	Act of Mar. 10, 1951 (Public Law 3, 82d Cong.)	Act of July 29, 1954 (Public Law 548, 83d Cong.)	
Combatant:			
Warships (as above)	0	0	1,986,000
Amphibious warfare vessels and landing craft	6,883	0	6,883
Mine warfare vessels	276	1,990	2,266
Patrol vessels	194	120	314
Total, combatant	7,353	2,110	1,995,463
Auxiliary vessels	32,450	0	32,450
Service craft	3,390	0	3,390
Experimental vessels	980	0	980
Total	44,173	2,110	2,032,283

The tonnage composition of the Navy as of January 1, 1959, is summarized below:

Category	Active fleet	Reserve fleet and special status [1] vessels	Total
Combatant:			
Warships [2]	1,667,402	2,862,205	4,529,607
Amphibious	599,480	676,543	1,276,023
Mine warfare	45,632	174,553	220,185
Patrol	83,940	334,380	418,320
Total	2,396,454	4,047,681	6,444,135
Auxiliary vessels	948,120	1,159,582	2,107,702
Service craft	10,935	466,120	477,055
Total	3,355,509	5,673,383	9,028,892

[1] Consists of training vessels, ships under construction, etc.
[2] Calculated on standard displacement basis; all others on light displacement basis.

Included in the above total of 4,529,607 for warships is overage tonnage aggregating 811,228 which, being replaceable, is part of the 1,986,000 mentioned above as being available for new construction. Of the overage tonnage, 240,226 is applicable to the active fleet.

The Department of Defense has transmitted to the Congress a proposed bill which would repeal all existing tonnage authorizations and establish new and continuing authority for naval shipbuilding and conversion to meet the complex and changing needs of modern naval warfare. Similar bills (H.R. 2036, H.R. 4179, and S. 798) were introduced in the 84th Congress.

Chairman RUSSELL. Are there any further questions? If not, the committee will go into executive session.

(Whereupon, the committee proceeded into executive session.)

(Subsequently, in executive session, the committee voted to report the bill favorably, without amendment, as covered by S. Rept. 158.)

X